

State of Nebraska
NEBRASKA DEPARTMENT OF HEALTH AND HUMAN SERVICES

PROGRAM POLICY MEMORANDUM - Protection and Safety # 1-98
PROGRAM POLICY MEMORANDUM - Child Care and Development # 2-98

August 3, 1998

TO: Service Area Administrators
Protection & Safety Staff
IM Foster Care Staff
Supervisors/Managers of Resource Development
Service Area Contract Liaisons

FROM: Chris Hanus-Schulenberg, Co-Administrator
Protection & Safety

Pat Urzedow Administrator
Child Care

RE: Clarification on Child Care Subsidy Program for Foster Children

The payment source for child care for foster children is either Title IV-E or the Child Care Subsidy Program. For that reason, requirements of the Child Care Subsidy Program, found in 474 NAC 7-000, must be followed.

Ordinarily, child care is available until a child turns 12; however, for children with special needs, wards, or children involved with protective services, child care is available until the child turns 19.

As offices are implementing changes to follow the Child Care Subsidy Program, concerns have arisen over the ability to meet the needs of foster children. Due to those concerns, the decision has been made to allow the following exceptions FOR FOSTER CHILDREN ONLY.

1. Rate as payment in full: The Department establishes the maximum hourly and daily rates based on a survey of child care providers. The rates are dependent on the child care setting, age of the child, and area of the state. Child care policies do not allow the Department to contract with a provider who will not accept that rate as payment in full.

For foster children, the Department will continue to pay its established rate. However, if the foster parent chooses to make arrangements with a provider to make an additional payment, that provider will not be denied a contract. For example, if a provider normally charges \$4 an hour for an infant and the Department's maximum rate is \$3 an hour, the provider can bill the Department \$3 an hour, and the foster parent can pay the additional \$1 an hour out-of-pocket. This arrangement might be chosen by a foster parent for a number of reasons, such as wanting to use a provider who already does child care for his or her own children.

2. Payment for days not in attendance: Child Care Subsidy policy allows payment only for

days the child attends rather than by enrollment. For foster children, payment can be made based on enrollment.

3. Payment out-of-state: Child Care Subsidy requires that all providers, including those out-of-state, be contracted with HHS and accept Nebraska rates. Child Welfare guidelines require that all child care payments be made directly to the provider.

Whenever possible, this policy should be followed for foster care families as well. For instance, we regularly work with providers in neighboring states. However, those requirements need not be followed when it becomes too difficult and complicated because of the distance, different state requirements, etc. In those instances, the following requirements apply:

- a. The provider must be licensed or approved for child care by the resident state, or, at a minimum, there must be a Central Registry and local law enforcement check done prior to the foster parent using the provider. The case manager still maintains responsibility for having reasonable assurance that safety is maintained for the child.
 - b. The payment can be made directly to the foster parent, to be included in the foster care payment.
 - c. The case manager can approve the rate, which can be above Nebraska rate if necessary. The case manager should request the foster parent to provide information about rates in the area and determine what is reasonable to pay. Because the payment will be made to the foster parent, the case manager will have to assure that the amount is changed when hours of care change, for example, when a child enters school.
4. Purpose of child care: Child care subsidy does not allow payment for socialization of the child or because another child must be taken to an appointment. These purposes can be allowed for payment for child care for foster children. For further explanation, see PFPC, Out-of-Home Care Guidebook, page 35.
 5. Agency-based foster care: In Agency Based Foster Care, as of July 1, 1998 the payments for child care are to be made directly to the child care provider. Previously these payments were made to the agency supporting the foster homes. All child care providers must be licensed or approved prior to the child care being provided.

Please be reminded that all other child care subsidy policies must be applied in foster care cases. Special attention should be given to the following:

1. In-home child care: Federal law requires that in-home child care providers receive minimum wage. For that reason, payment for in-home care is restricted to limited situations. These include -
 - a. When the child has a special need or a childhood illness;
 - b. When the parent needs child care during evening, overnight, weekend, or holiday hours; or
 - c. When there are three or more children in care.

For more information on this policy, see 474 NAC 7-006.01A.

2. Provider residing with child: Child care payment can be made to a provider living in the same household only if the child qualifies under the special needs criteria found at 474 NAC 7-006.01, or if the child has a short-term childhood illness such as measles or chicken pox.

3. Special Needs Payment: If a child meets the definition of a special needs child found at 474 NAC 7-006.01, we can pay a higher rate for child care. The rate for Home and Community Based Medicaid Waiver for Aged Persons and Adults and Children with Disabilities may be used as a guideline. A special need must be documented by a physician or licensed or certified psychologist.

If you have questions regarding Child Care Subsidy Program policy, please consult with your supervisor, or contact Pat Urzedowski at 471-9431, Sandy Scott at 471-9347, or Dennis Ellis at 471-6792. If you have questions about Child Welfare guidelines, please contact Margaret Bitz at 471-9457 or Mary Fraser Meints at 471-9333.